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March 29, 2019

BY HAND DELIVERY AND ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Request for Confidential Treatment – Notice of Ex Parte Presentation – Puerto Rico Telephone Company d/b/a Claro Section 63.63 Emergency Discontinuance Application – WC Docket No. 18-240

Dear Ms. Dortch:

Pursuant to Sections 0.457 and 0.459 of the Commission's rules,¹ Puerto Rico Telephone Company, Inc. d/b/a Claro ("PRTC"), by its attorneys, respectfully requests that the Commission withhold from public inspection and accord confidential treatment to portions of PRTC's Notice of Ex Parte that have been redacted. Accordingly, the enclosed ex parte notice is stamped "Confidential – Not for Public Inspection" and PRTC asks that the presentation marked "Confidential—Not for Public Inspection" be withheld from routine public inspection, as it contains sensitive business information.

The ex parte notice contains confidential and commercially sensitive information that falls within Exemption 4 of the Freedom of Information Act ("FOIA").² Exemption 4 permits parties to withhold from public information "trade secrets and commercial or financial information obtained from a person and privileged or confidential."³ Applying Exemption 4, the courts have stated that commercial or financial information is confidential if its disclosure will either (1) impair the government's ability to obtain necessary information in the future; or (2) cause

¹ 47 C.F.R. §§ 0.457 & 0.459.

² See 5 U.S.C. § 552(b)(4); 47 C.F.R. § 0.457(d).

³ 5 U.S.C. § 552(b)(4).

substantial harm to the competitive position of the person from whom the information was obtained.⁴

Section 0.457(d)(2) allows persons submitting materials that they wish to be withheld from public inspection in accordance with Section 552(b)(4) to file a request for non-disclosure, pursuant to Section 0.459. In accordance with the requirements contained in Section 0.459(b) for such requests, PRTC hereby provides the following information.

(1) *Identification of Specific Information for Which Confidential Treatment is Sought (Section 0.459(b)(1)).*

PRTC seeks confidential treatment of information regarding the operational status of various fixed and mobile network components after Hurricane Maria, the progress made in restoring these components, and its future plans for the deployment of new technologies to restore fixed interstate telecommunications services in the affected areas.

(2) *Identification of the Commission Proceeding in Which the Information Was Submitted or a Description of Circumstances Giving Rise to Submission (Section 0.459(b)(2)).*

PRTC is the incumbent local exchange carrier in Puerto Rico, and its wireline facilities were damaged in Hurricanes Irma and Maria. PRTC sought, and received, authority to discontinue interstate telecommunications service on a temporary basis in certain affected areas in Puerto Rico. Representatives of PRTC met with Commission staff to discuss plans for restoring service by deploying new technologies in the affected areas.

(3) *Explanation of the Degree to Which the Information is Commercial or Financial, or Contains a Trade Secret or is Privileged (Section 0.459(b)(3)).*

The information for which PRTC seeks confidential treatment is plainly sensitive commercial information that companies would normally keep confidential and that PRTC, in fact, keeps confidential. See 5 U.S.C. § 552(b)(4). Disclosure of such information could have a significant impact on PRTC's commercial operations by enabling competitors to have a better understanding of PRTC's financial constraints after the hurricanes and its business plans and strategies, enabling such competitors to better compete against PRTC.

The Application contains information about PRTC that is clearly "commercial" in nature.⁵ Under well-settled case law, such material "is 'confidential' . . . if disclosure of the information

⁴ See *National Parks and Conservation Ass'n v. Morton*, 498 F.2d 765, 770 (D.C. Cir. 1974) (footnote omitted); see also *Critical Mass Energy Project v. NRC*, 975 F.2d 871, 879-80 (D.C. Cir. 1992), *cert. denied*, 507 U.S. 984 (1993).

⁵ See *Board of Trade v. Commodity Futures Trading Comm'n*, 627 F.2d 392, 403 & n.78 (D.C. Cir. 1980) (courts have given the term "commercial," as used in Section 552(b)(4), its ordinary meanings).

is likely to have either of the following effects: (1) to impair the government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information was obtained."⁶ In addition, the Commission has broadly defined commercial information, stating that "[c]ommercial" is broader than information regarding basic commercial operations, such as sales and profits; it includes information about work performed for the purpose of conducting a business's commercial operations."⁷

(4) *Explanation of the Degree to Which the Information Concerns a Service that is Subject to Competition (Section 0.459(b)(4)).*

Substantial competition exists in Puerto Rico both in the wireline and wireless sectors. The presence of competitors makes imperative the confidential treatment of sensitive commercial information.

(5) *Explanation of How Disclosure of the Information Could Result in Substantial Competitive Harm (Section 0.459(b)(5)).*

Release of the confidential information in the ex parte could have a significant impact on PRTC's commercial operations. If business partners/customers or competitors had access to this information, it could negatively affect PRTC's future negotiations with potential and existing business partners/customers. Specifically, business partners/customers could use the information in the ex parte notice to negotiate more favorable terms in their own agreements. Competitors could use this information to better compete against PRTC. Thus, it is "virtually axiomatic" that the information qualifies for withholding under Exemption 4 of FOIA⁸ and under Sections 0.457(d)(2) and 0.459(b).

(6) *Identification of Measures Taken to Prevent Unauthorized Disclosure (Section 0.459(b)(6)).*

None of this information is provided to the public, and PRTC does not provide this information to third parties except pursuant to agreements to maintain confidentiality.

(7) *Identification of Whether the Information is Available to the Public and the Extent of Any Previous Disclosure of Information to Third Parties (Section 0.459(b)(7)).*

⁶ *National Parks and Conservation Ass'n v. Morton*, 498 F.2d 764, 770 (D.C. Cir. 1974) (footnote omitted); see also *Critical Mass Energy Project v. NRC*, 975 F.2d 871 (D.C. Cir. 1992), cert. denied, 113 S. Ct. 1579 (1993).

⁷ *Southern Company Request for Waiver of Section 90.629 of the Commission's Rules*, Memorandum Opinion and Order, 14 FCC Rcd 1851, 1860 (1998) (citing *Public Citizen Health Research Group v. FDA*, 704 F.2d 1280, 1290 (D.C. Cir. 1983)).

⁸ See *National Parks and Conservation Ass'n v. Kleppe*, 547 F.2d 673, 684 (D.C. Cir., 1976).

PRTC has not made this information available to the public and has not disclosed the information to any third parties except pursuant to arrangements intended to maintain confidentiality.

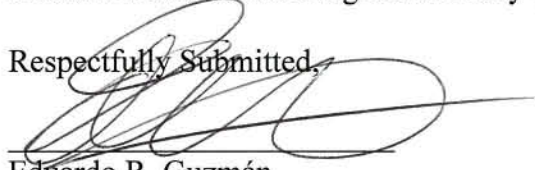
(8) *Justification of Period During Which the Submitting Party Asserts that the Material Should Not be Available for Public Disclosure (Section 0.459(b)(8)).*

PRTC respectfully requests that the Commission withhold from public inspection indefinitely the confidential version of the notice of ex parte and the confidential information contained therein. PRTC would not, in the normal course of business, provide this information to the public.

If the Commission determines that the confidential version of the notice of ex parte or the confidential information contained therein should be disclosed publicly, PRTC requests that the Commission provide advance notice of this decision so that PRTC will have a reasonable opportunity to challenge the Commission's determination and/or reach agreement on a satisfactory protective order.

Please contact the undersigned with any questions.

Respectfully Submitted,



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**Re: Notice of Ex Parte Presentation - Puerto Rico Telephone Company, Inc. d/b/a Claro
Section 63.63 Emergency Discontinuance Application - WC Docket No. 18-240**

Dear Ms. Dortch:

On March 27, 2019, Puerto Rico Telephone Company, Inc. d/b/a Claro ("PRTC") met with Michael Carowitz, Special Counsel to Chairman Ajit Pai; Zenji Nakazawa, Public Safety and Consumer Protection Advisor to Chairman Pai; and Terri Natoli, Daniel Kahn, Rodney McDonald, Dangkhoe Nguyen, and Rebekah Douglas of the Wireline Competition Bureau, to discuss PRTC's emergency discontinuance of wireline interstate telecommunications services in certain areas of Puerto Rico where Hurricanes Irma and Maria damaged PRTC's copper facilities. Present on behalf of PRTC were Enrique Ortiz de Montellano Rangel, President and Chief Executive Officer, PRTC; Mario Barrera, Chief Operating Officer, PRTC; Francisco Silva, General Counsel, PRTC; and the undersigned of Squire Patton Boggs (US) LLP.

During the meeting PRTC followed and discussed the attached presentation, which was distributed to the meeting attendees, regarding its plans to restore fixed interstate telecommunications services to affected areas in Puerto Rico that are currently covered by the temporary authorization for emergency discontinuance of service that has been in effect since August 3, 2018.

This notice is filed in accordance with Section 1.1206(b) of the Commission's rules.¹

¹ 47 C.F.R. § 1.1206(b).

47 Offices in 20 Countries

Squire Patton Boggs (US) LLP is part of the international legal practice Squire Patton Boggs, which operates worldwide through a number of separate legal entities.

Please visit squirepattonboggs.com for more information.

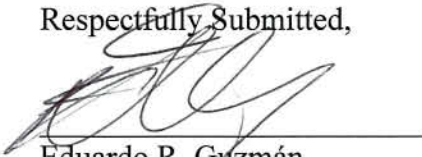
Squire Patton Boggs (US) LLP

Marlene H. Dortch

March 29, 2019

BY HAND DELIVERY AND ECFS

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Eduardo R. Guzman', is written over a horizontal line.

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Counsel to Puerto Rico Telephone Company, Inc.

Enclosure

cc: Michael Carowitz
Zenji Nakazawa
Terri Natoli
Rodney McDonald
Daniel Kahn
Dangkhwa Nguyen
Rebekah Douglas

REDACTED – FOR PUBLIC INSPECTION

Puerto Rico Telephone Company, Inc. Section 63.63 Emergency Discontinuance Application

WC Docket 18-240

Presentation by Puerto Rico Telephone
Company, Inc. (PRTC) d/b/a Claro



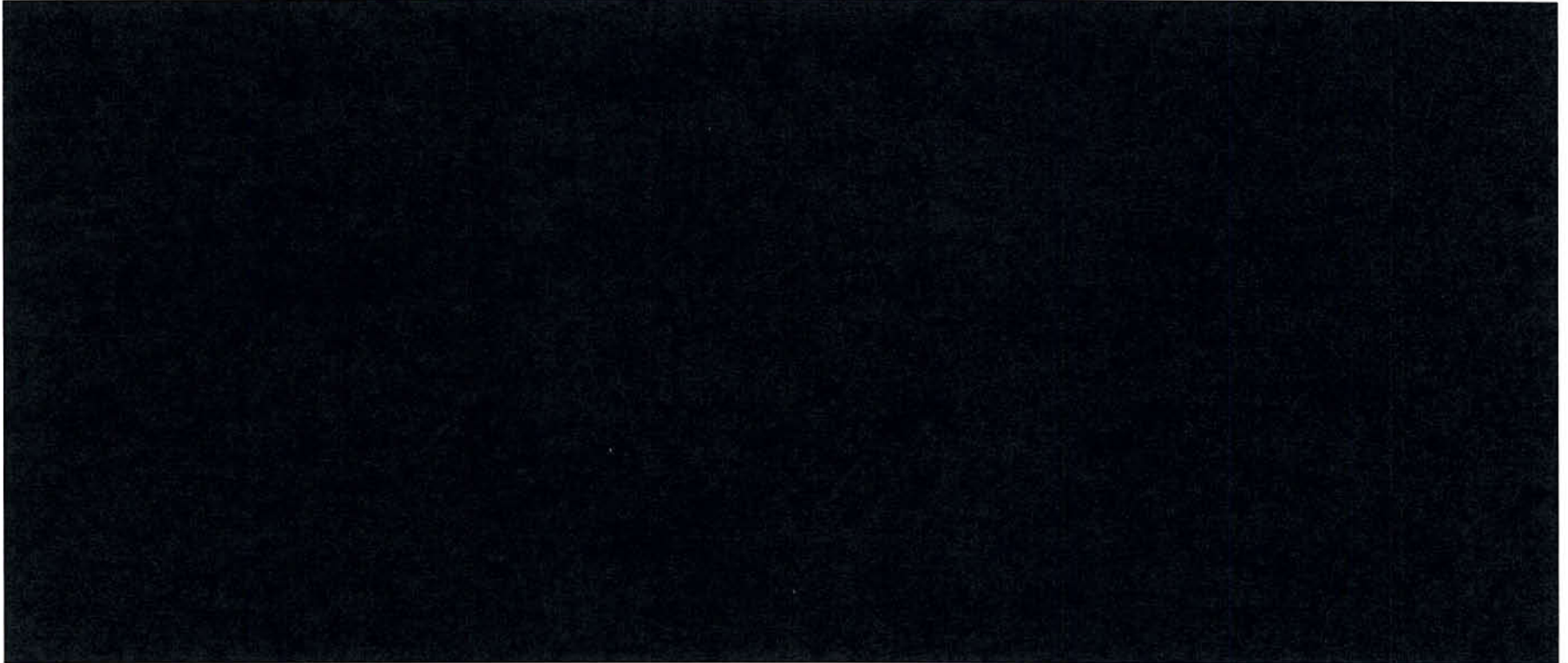
Post-Hurricane Network Recovery Efforts

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- Claro has the most extensive network footprint in Puerto Rico and is the only provider that offers residential and business landline services, mobile services, and video services
- Claro suffered extensive damage as a result of Hurricane Maria
- Notwithstanding significant challenges, including lack of power for more than 8 months, key components of the Claro network were restored very quickly

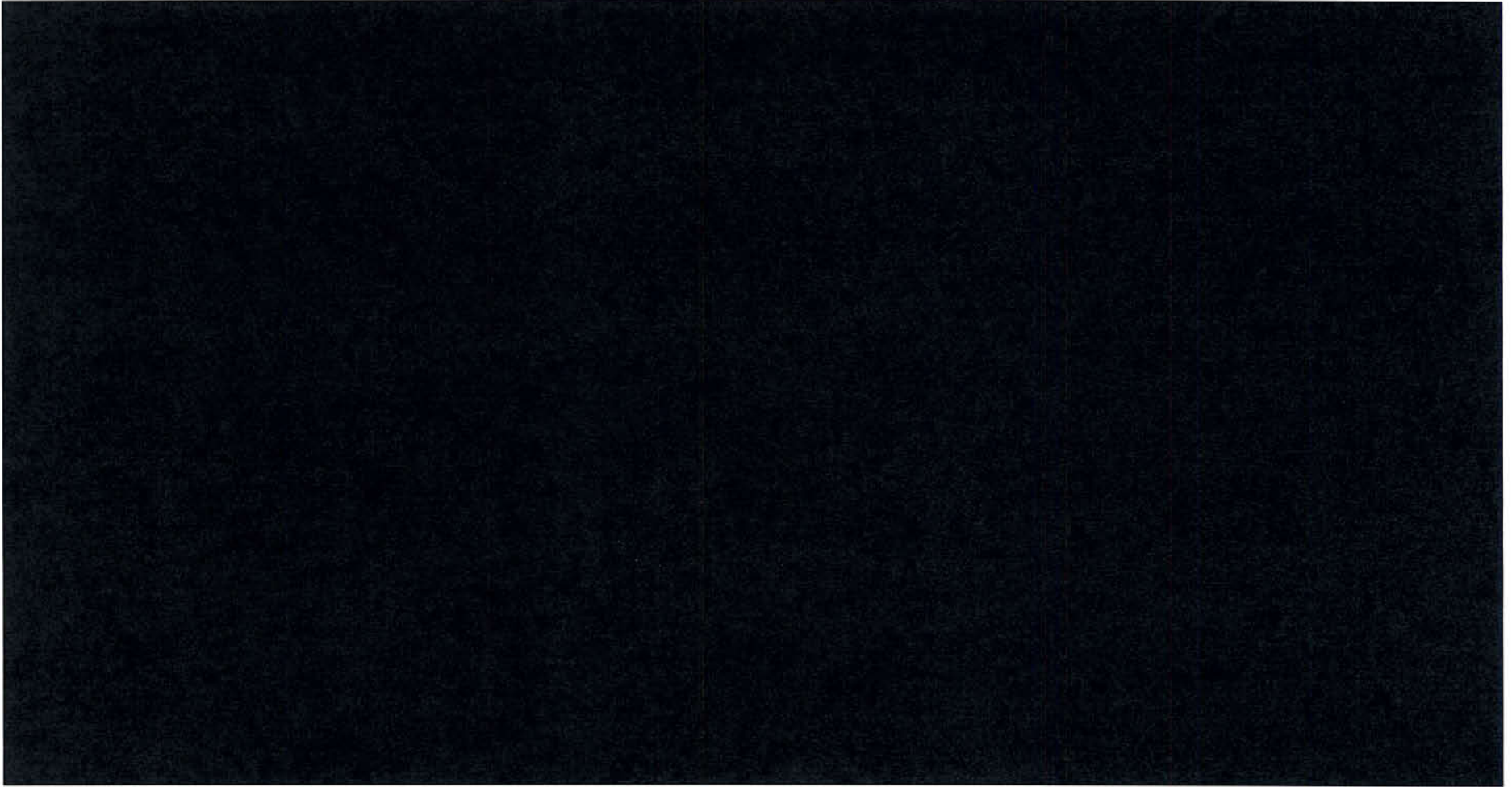
Post-Hurricane Network Recovery Efforts: [REDACTED]

REDACTED – FOR PUBLIC INSPECTION



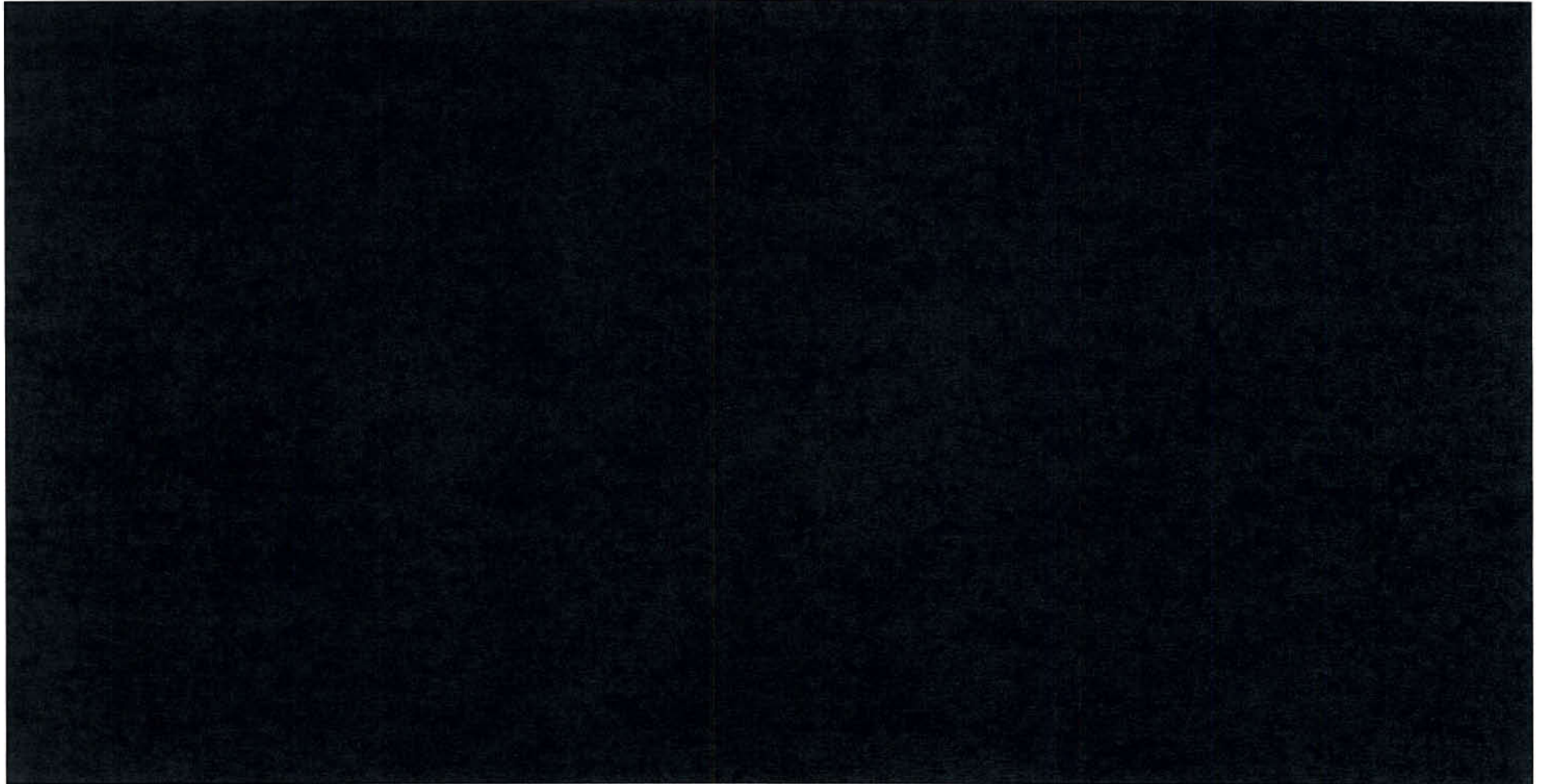
Post-Hurricane Network Recovery Efforts: [REDACTED]

REDACTED – FOR PUBLIC INSPECTION



Post-Hurricane Network Recovery Efforts: [REDACTED]

REDACTED – FOR PUBLIC INSPECTION



Affected Areas and Users: Telecommunications Services

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	August 2018	March 2019
Affected Network Nodes ("IPs")	████████	████████
Affected Users	████████████████	████████████████

Modernization Plan

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- Claro is investing in new technologies that provide faster broadband
 - Fiber-to-the-Home (FTTH)
 - Fixed Wireless
 - 5G Fixed Wireless
- These new technologies also will be used to restore reliable fixed voice service to affected users

FTTH

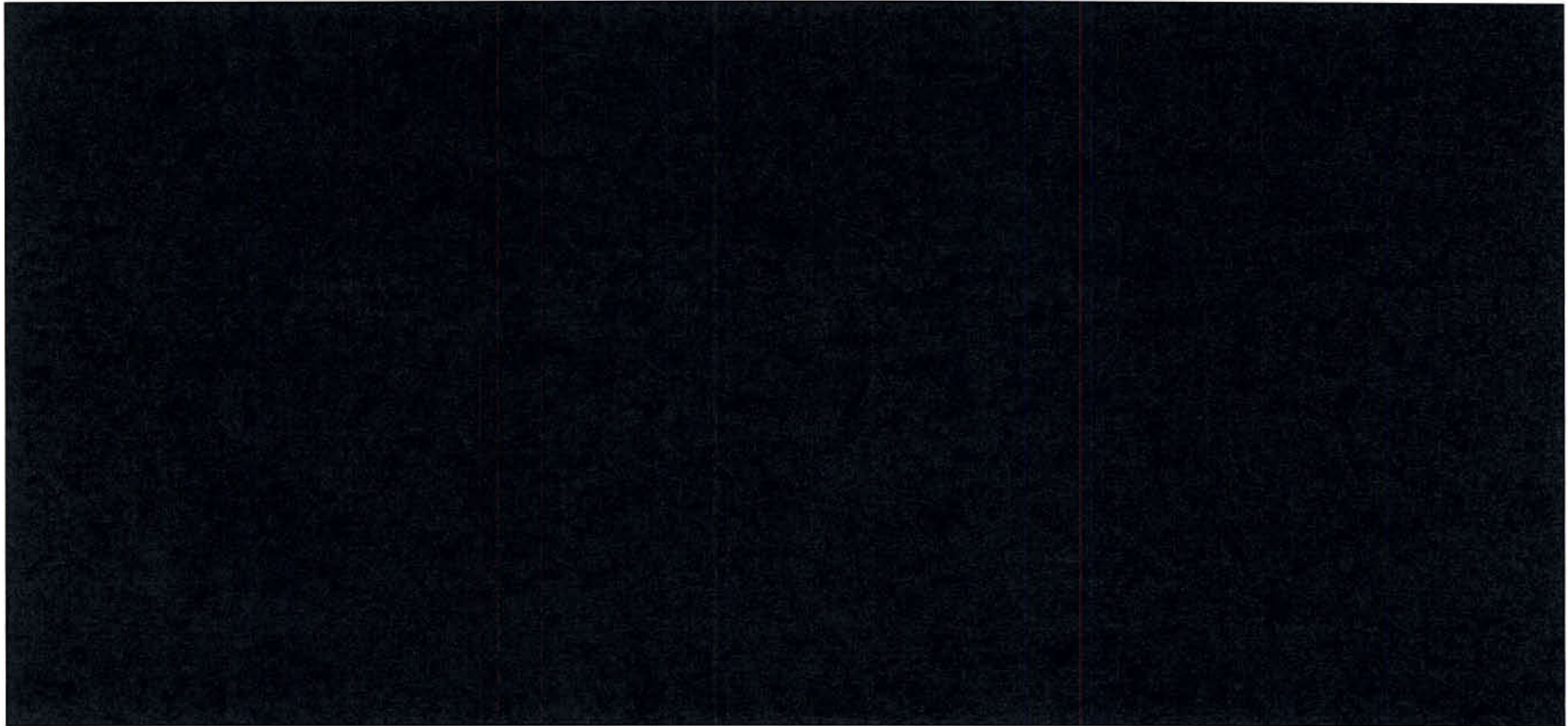
- Key component of Claro overall network modernization plan
- Broadband speeds of up to 1,000 Mbps
- TDM voice telephony
- Infrastructure already is being deployed in certain areas [REDACTED], but pace of deployment has been delayed by state/local bureaucratic impediments

Fixed Wireless

- Uses 2.5 GHz band
- Broadband speeds of up to 10 Mbps
- [REDACTED]
- Infrastructure already is being deployed across different areas in Puerto Rico [REDACTED]
- [REDACTED]
- Schools already have fiber connections as part of island-wide plan; all police stations will have fiber connections (50% already have fiber)

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FTTH and Fixed Wireless



5G Fixed Wireless

- Claro acquired licenses in 28 GHz band before the Hurricane
- Will be able to offer broadband speeds of up to 100 Mbps

- [REDACTED]

Telecommunications Service Restoration Plan

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	IPs	Affected Users	% Affected Users
FTTH			
5G Fixed Wireless			
Fixed Wireless			
Copper Repairs			
Low Density Pockets			
Total			

Telecommunications Service Restoration Plan Timeline

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		% of Affected Customers Restored by Year				
Technology	# Affected Customers	2019	2020	2021	2022	2023
FTTH	██████	██████	██████	██████	██████	██████
5G Fixed Wireless	██████	██████	██████	██████	██████	██████
Fixed Wireless	██████	██████	██████	██████	██████	██████
Copper Repairs	██████	██████	██████	██████	██████	██████

Low Density Pockets

- Remote areas with low density of users and high costs of deployment
- [REDACTED]
- In some areas broadband had been deployed prior to Hurricane Maria only due to support from the Connect America Fund
- Permanent solution will depend on universal service assistance from the FCC and/or the Puerto Rico Telecommunications Bureau to redeploy infrastructure in those areas

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Low Density Pockets

